



Federal Communications Commission
Washington, D.C. 20554

MAY 3 1996

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

DOCKET FILE COPY ORIGINAL

Mr. Ramon D. Ardizzone
President, Glenayre Electronics
5935 Carnegie Boulevard
Charlotte, North Carolina 28209

Dear Mr. Ardizzone:

Thank you for your letter of December 6, 1995, which was forwarded to us from the office of President Bill Clinton, regarding the Commission's decision to freeze acceptance of paging applications. You express concern that the suspension of processing of paging applications will adversely affect small businesses that provide paging services.

The Commission is currently conducting a rulemaking proceeding that proposes to transition from licensing paging frequencies on a transmitter-by-transmitter basis to a geographic licensing approach, using auctions to award licenses where there are mutually exclusive applications. In conjunction with that proceeding, the Commission initially froze processing of applications for paging frequencies. On April 23, 1996, the Commission released a First Report and Order in **WT Docket 96-18** and PP Docket 93-253, which adopted interim measures governing the licensing of paging systems and partially lifted the interim freeze for incumbent paging licensees. For your convenience and information, enclosed is a copy of the Press Release concerning the First Report and Order, which includes a summary of the principal decisions made. Specifically, small and medium sized incumbent paging companies will be permitted to expand their service areas if the proposed new site is within 65 kilometers (40 miles) of an authorized and operating site. These interim rules will remain in effect until the Commission adopts final rules in the paging proceeding.

Thank you for your inquiry.

Sincerely,

David L. Furth
Chief, Commercial Wireless Division
Wireless Telecommunications Bureau

Enclosure

copy to: Sue J. Smith

No. of Copies rec'd 1
List ABOVE

OFFICE OF THE PRESIDENT:

5935 Carnegie Boulevard
Charlotte, NC 28209 U.S.A.
Telephone: (704) 553-0038
Fax: (704) 553-7878

Glenayre

R.D. Ardizzone
President

FCC Buck

2762658

December 6, 1995

The President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. President:

As the President and CEO of Glenayre Electronics, I am writing to make you aware of a devastating action recently taken by the FCC, and to seek your understanding and support for my Company, as well as the Paging Industry.

The FCC published a Notice of Proposed Rule Making (NPRM) on February 9, 1996, which will provide revised rules for the granting and use of 900 MHz paging frequencies. The devastating part of this NPRM is that it immediately imposed a freeze on new 900 MHz applications in certain categories, especially affecting non-nationwide small to medium-sized operators.

I have enclosed our March 1, 1996, comments to the FCC, which detail the severe impact the freeze has on our business, as well as many other industry-related businesses, in the fastest growing wireless industry in the United States. I have also included a news release that we were compelled to send to the investment community regarding the effect of the freeze, to date, on our Company.

Glenayre was honored in the Thursday, February 29, 1996, issue of the Wall Street Journal as "The Best Performer" over the last three years (copy also attached). This freeze will not only severely affect our business and the job security of our employees, but the freeze also will impact our loyal investors in an industry that is booming under the current rules.

While we are not opposed to auctions per se, we do find it shocking that the U.S. Government would cripple an industry while it sorts out the process.

President William J. Clinton

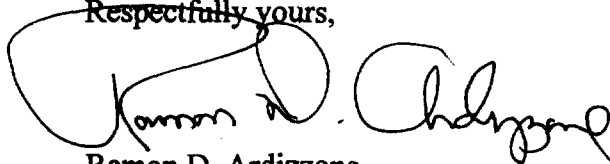
March 5, 1996

Page Two

Motorola, our main competitor for paging infrastructure, has invited Glenayre to accompany them on scheduled visits with various Congressional Representatives and Senators to discuss the effects of the freeze in their respective States, especially as it relates to employment. We would welcome the opportunity to include a meeting with you and Chairman Hundt during that same period.

I look forward to your immediate reply as I know a meeting such as this would better inform you of the many hidden effects of Government actions on the private sector.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Ramon D. Ardizzone". The signature is fluid and cursive, with a large loop at the beginning and a long, sweeping tail.

Ramon D. Ardizzone

cc: Reed E Hundt, Chairman
Federal Communications Commission

Glenayre

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
Revision of Part 22 and Part 90 of the)	WT Docket No. 96-18
Commission's Rules to Facilitate Future)	
Development of Paging Systems)	
)	
Implementation of Section 309(j) of the)	PP Docket No. 93-253
Communications Act - Competitive Bidding))	

To: The Commission

COMMENTS OF GLENAYRE TECHNOLOGIES, INC.

Glenayre Technologies, Inc. ("Glenayre"), through counsel and pursuant to Section 1.415 of the Commission's Rules, 47 C.F.R. §1.415, hereby respectfully submits its Comments in response to the Notice of Proposed Rule Making ("NPRM") issued by the Commission in the above-referenced proceeding.¹

I. BACKGROUND

Glenayre is a worldwide producer of telecommunications equipment and related software used in wireless personal communications service (PCS) markets, including wireless messaging, voice processing, mobile data systems and point-to-point wireless interconnection products. Glenayre is included in the NASDAQ-100 Index and is a leading manufacturer of paging technology worldwide.

The Commission seeks to revamp its licensing procedures for all commercial paging frequencies, both Part 90 and Part 22, in

¹FCC 96-52, released February 9, 1996.

this proceeding. Comments on the Commission's proposed new rules are due to be filed on March 18, 1996.²

The Commission's adoption of the NPRM included a freeze on the acceptance of new applications for paging systems.³ In partial recognition of the impact of a freeze on the paging industry, the Commission requested expedited Comments on the issue of whether incumbents should be permitted to file new applications "... that would expand or modify their existing systems beyond their existing interference contours with such modifications receiving only secondary site authorizations."⁴ Glenayre submits these Comments in response to the Commission's questions regarding the freeze.

II. COMMENTS

Glenayre is adamantly opposed to a partial or complete freeze on the acceptance of new applications during the pendency of this proceeding. Without addressing the merits of the Commission's licensing proposals at this time, even a partial freeze is ill-advised and imposes significant harm on the paging industry.

²The NPRM has apparently not yet been published in the Federal Register, although the document was released on February 9, 1996. Similar delays in publication by the Commission have occurred in PR Docket No. 93-144, where a document released December 15, 1995 was not published until February 16, 1996, and the Commission's "Goodman/Chan" Order, which has still not been published although the document was released in May of 1995.

³The NPRM included certain exceptions, notably the ability of certain operators to construct "fill-in" sites which do not extend the system's interference contour.

⁴NPRM at para. 143.

A. The Commission's Objectives Do Not Require A Freeze

It is the Commission's contention that "... continuing to accept new applications under the current rules would impair the objectives of this proceeding."⁵ A review of paragraph 1 of the NPRM shows that the Commission has the following objectives in this proceeding: (1) promote continued growth in the paging industry; (2) preserve vigorous paging competition; (3) simplify and streamline licensing procedures; and (4) provide a flexible operating environment for all paging services.⁶ However, as shown below, an application freeze during this proceeding does nothing to promote these objectives.

1. An Application Freeze Does Not Promote Continued Growth

The paging industry (both common carrier and private carrier) has experienced rapid growth year after year of thirty percent (30%) or more. A freeze puts all growth on hold. Congested systems cannot expand because of the freeze, and carriers are reluctant to build additional systems because of uncertainty over the status of licenses. System operators have staffed their businesses, made acquisitions, leased sites and, in many cases, placed equipment orders with the understanding that licensing would continue under the existing rules or would not be changed without due notice.

Smaller operators are particularly impacted by this freeze and may never be able to recover. Some operators were unable to

⁵NPRM at para. 139.

⁶NPRM at para. 1.

participate in the narrowband PCS auction, and were depending on the technological upgrades to their existing paging systems to be able to compete with PCS systems under construction. Even operators who successfully have acquired PCS licenses are harmed in that expected growth in revenue from traditional paging operations was earmarked for PCS construction efforts.

As a manufacturer, Glenayre is particularly injured by the freeze. Production lines are not spigots which can be quickly turned on and off depending on perceived needs. Instead, production must be carefully planned far in advance. Glenayre and other manufacturers have built facilities, expanded employment, ordered raw materials and planned shipments as a result of customer forecasts and actual orders. The Commission's freeze results in a backlog of equipment gathering dust in the warehouse, which represents a substantial cost to manufacturers (which must be passed on eventually to customers) and delaying the development of new equipment. Glenayre estimates that it will lose \$10-12 million in revenue and \$2.9-5.7 million in profits as a result of the Commission's freeze. Glenayre estimates that approximately 150-300 jobs at Glenayre will be jeopardized by an extended freeze.

Manufacturers of related equipment are also harmed by the Commission's application freeze. For example, manufacturers of switches, transmission line, antennas, towers and steel will each feel the impact. Clearly, the Commission's objective of promoting continued growth in the paging industry is negated by the freeze.

2. An Application Freeze Stifles Competition

The imposition of a freeze impedes the ability of many operators to continue construction and expansion of their systems. The freeze benefits companies which have completed expansion. Therefore, competition is diminished.

While there is little, if any, "white" space left on any paging frequencies, operators have been methodically building out systems which are already licensed while planning on new facilities to meet projected customer demands. Thus, applications are always being prepared by a carrier for additional systems which do not necessarily represent "white" space, but are expansions for areas which would cause interference if licensed to another carrier. Without the ability to file new applications to expand systems where necessary, operators are unable to meet their customers needs. Customers will then rely on other service providers for features which could be offered on the paging system if not for the Commission's freeze.

3. Many Of The Current Licensing Rules Are Already "Streamlined"

The Commission stated that it seeks to create new paging licensing rules which are "simple and streamlined". The fact is that such procedures already exist. The impact of the Commission's ~~NPRM~~ is to propose a more burdensome licensing system while placing the paging industry on indefinite hold.

For Part 90 paging frequencies, the current rules provide an extremely efficient licensing mechanism without significant Commission involvement. Applications are coordinated by the

Personal Communications Industry Association ("PCIA"), generally within a brief time, and applicants may begin operations immediately after PCIA has filed the application with the Commission. Eventually, the Commission grants the application with minimal review. This system was created by the paging industry, and it serves its purpose well.

While it is certainly possible to make the paging rules even better,⁷ there certainly is no need to place a freeze on applications while the new system is being created. Glenayre does not oppose geographic licensing per se, but Glenayre adamantly opposes the Commission's preferred methodology of refusing to accept applications while it considers new rules.

With regard to Part 22 paging frequencies, the Commission has already been presented with proposals by PCIA and others for rule changes which will serve the industry and the Commission's needs.⁸ Each of the proposals do not require the imposition of a freeze.

B. There Is No Valid Rationale For An Application Freeze

The only reason to have a licensing freeze on paging frequencies is to avoid conflict with any new rules adopted by the Commission. However, processing of applications under the existing rules will in no way prejudice the Commission's proposed rules. Unlike PCS, the Commission has not proposed to create a new service on existing paging frequencies, and there is no need to relocate

⁷See, for example, PCIA's Petition to permit exclusivity on the 150 MHz and 460 MHz paging frequencies filed on July 11, 1994.

⁸See, for example, Comments in CC Docket No. 92-115.

incumbent operators. Thus, the licensing of additional incumbents, or additional service areas, has no impact on the new licensing rules.

The perception is that the Commission wishes to preserve spectrum for auction, and has therefore imposed a freeze to prevent the licensing of any "white" space. However, the Commission has already recognized that there is little, if any, "white" space. Imposition of a freeze imparts no benefit to the paging industry or the Commission, and Glenayre requests that the freeze be unconditionally lifted.

The Commission's freeze clearly does not make sense with regard to the shared Part 90 paging frequencies. As recognized by the Commission in paragraph 18 of the NPRM, there is no virgin spectrum with regard to Part 90 paging channels. For shared frequencies, imposition of a freeze serves no purpose whatsoever.

The Commission has previously endured a negative experience with regard to a paging application freeze. On October 4, 1991, the Private Radio Bureau imposed a freeze on the acceptance of new 929 MHz paging applications in anticipation of the creation of new application processing rules for the band.⁹ Five weeks later, the Bureau lifted the freeze, and in so doing stated:

Since the Order was adopted, the Bureau has become aware of significant recent activity in the private carrier paging industry. A number of private carrier paging entities have made significant capital expenditures that would, in effect, be inadvertently stranded during the pendency of the licensing freeze and result in severe economic harm

⁹See, Order, DA 91-1257, released October 7, 1991.

to those entities. The freeze on applications could also result in a temporary denial of service in many areas where there is a need for private paging services. In fact, our object was to encourage use of the band, not restrict it.¹⁰

The rationale used by the Bureau for lifting the freeze in 1991 is equally applicable today.

Finally, it is indeed ironic that the Commission attempts to justify an application freeze by reference to its 800 MHz SMR Pool and General Category freezes.¹¹ The 800 MHz SMR Pool freeze has been in effect since October of 1994, and has had a devastating impact on the ability of independent SMR operators to operate their businesses.¹² Glenayre does not wish to see the same impact on the paging industry.

¹⁰Order, DA 91-1407, released November 12, 1991.

¹¹NPRM at para. 139.

¹²See, for example, the Ex Parte Comments of PCIA in PR Docket No. 93-144, filed October 29, 1995.

III. CONCLUSION

WHEREFORE, the premises considered, it is respectfully requested that the Commission immediately lift the application freeze imposed by the Notice of Proposed Rule Making issued by the Commission on February 9, 1996 in the above-captioned proceeding.

GLENAYRE TECHNOLOGIES, INC.

By: Alan S. Tilles
Alan S. Tilles, Esquire

Its Attorney

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Date: March 1, 1996

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News Release

CONTACT: Stan Ciepcielinski, CFO
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704/553-7878 Fax

**GLENAYRE TECHNOLOGIES ANNOUNCES NEGATIVE IMPACT
ON FIRST QUARTER 1996 NET SALES RESULTING FROM FCC ACTION**

Charlotte, North Carolina, March 5, 1996 -- Glenayre Technologies, Inc. (Nasdaq:GEMS) announced today that the recent Federal Communications Commission ("FCC") Notice of Proposed Rule Making ("NPRM"), which included a freeze on the acceptance of new applications for 900 MHz paging system licenses, will negatively impact the Company's 1996 first quarter net sales.

The Company indicated that the FCC action may result in a \$10 million to \$12 million reduction in net sales from analyst consensus estimates for the first quarter of 1996. The Company stated that the overall impact of the FCC action on 1996 annual net sales cannot presently be determined due to the uncertainty of final regulatory changes, including the duration of the licensing freeze.

The FCC accepted comments on the NPRM on March 1, 1996, with replies due by March 11, 1996. Final revisions to current regulations, if any, will be determined by the FCC sometime after the NPRM's final comment date of March 18, 1996.

Ramon Ardizzone, President and CEO, stated, "We are working independently and with the Personal Communications Industry Association (PCIA) and its members in their request to the FCC to immediately rescind the licensing freeze and to provide other clarifications of the FCC's actions taken on the 900 MHz paging channels, to prevent additional negative impact to the paging industry."

Glenayre Technologies is a worldwide provider of telecommunications equipment and related software used by leading wireless personal communications service providers. The Company specializes in paging, cellular, voice processing, mobile data and point-to-point wireless interconnection products and systems. The Company is included in the Nasdaq-100 Index®.

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THE WALL STREET JOURNAL. SHAREHOLDER SCOREBOARD

THURSDAY, FEBRUARY 29, 1996 R3

Best 3-Year Performer Glenayre Technologies Inc.

By MOLLY BAKER

Special to THE WALL STREET JOURNAL

Rarely has a company made a more timely switch in its main line of business than Glenayre Technologies Inc.

Until late 1992, Glenayre had been involved in oil and gas pipeline construction and real estate, and was known as N-W Group. But the company correctly foresaw that one imperative of the '90s would be to get wired. It jumped into wireless telecommunications in time to ride a tidal wave of growth.

The company's niche is paging equipment, and the infrastructure needed to support it. Back in 1993, "competitors were starting to consider paging out of date, and thought it might become obsolete as newer wireless technologies emerged," says Lior Bregman, an analyst with Oppenheimer & Co. But things turned out different. "While everyone else was ignoring paging's potential, the industry continued to grow 20% to 30% annually," Mr. Bregman says.

The company's single-minded focus has paid off in a fat market share. In the U.S. market for paging switches and transmitters, it has about 80% and 65% shares, respectively. Motorola Inc. is in second place.

As Glenayre moved into paging, the company shed all its businesses outside the telecommunications industry. The strategic shift paid off immediately, boosting Glenayre's sales to \$136.1 million in 1993 from just \$15.6 million the prior year.

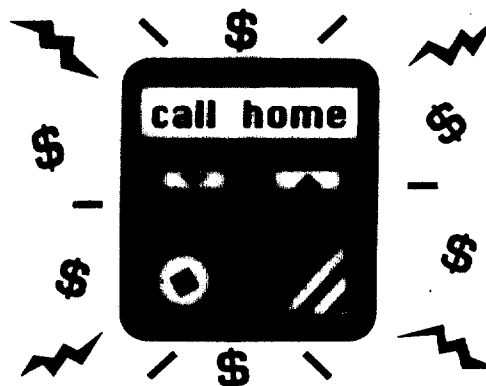
As pagers have gotten cheaper and more advanced, they have become more mainstream—appearing on the belts of money managers and in the backpacks of teenagers, as opposed to just doctors' lapels and drug dealers' pockets. And the paging market has taken off internationally as well, with new countries and overseas operators continually being added to Glenayre's customer list.

Today, the number of paging subscribers has grown to about 30 million in the U.S. and close to double that world-wide, according to Rakesh Sood, an analyst with Hambrecht & Quist. And, not only does every new subscriber need equipment to get wired initially, but also a sizable wave of longtime pager users are upgrading to newer and better equipment.

Glenayre's shrewd bet on wireless in general and paging in particular helped the company, based in Charlotte, N.C., reward its shareholders with a compound annual return of 163.4% for the past three years.

Mr. Bregman attributes that sparkling return to "a unique combination of strong industry trends, cooperative financial markets, and a very robust company."

Just as paging's growth caught many telecommunications companies by surprise, many investors were also a little skeptical of the industry's



potential. "It wasn't until 1994, really, that we came to the conclusion that paging was a very viable and thriving market that was somewhat misunderstood by investors and the stock market," says Jason Yee, an analyst with Denver-based Janus Capital, which owns just over one million Glenayre shares.

Although the firm may have been tardy to the Glenayre boom, it certainly wasn't too late. In 1994, the company's earnings grew more than 50% to \$33.5 million from \$22.1 million the prior year. And, in the latest year, Glenayre's sales jumped 87% while net income climbed 128% to \$76.4 million.

The question now is, how long can this kind of growth continue?

Analysts and investors say Glenayre's potential is still strong, yet they admit the days of the 163% annual returns may never come back.

"Obviously the stock is not undiscovered as it was three years ago," says Oppenheimer's Mr. Bregman.

Communications

* Glenayre Technologies Inc	+142.5	+44.2	+163.4	+111.1	+100.4	+52.8
Cisco Systems Inc	+112.5	+14.1	+56.0	+3.7	+92.8	+45.2
Tollfree Inc	+32.7	-65.6	+107.8	+55.5	+71.4	+23.9
DSC Communications Corp	+2.8	-95.6	+49.7	-2.6	+60.7	+13.2
Andrew Corp	+9.8	-88.6	+52.3	0.0	+51.2	+3.7
PictureTel Corp	+258.4	+161.0	+50.6	-1.7	+48.1	+0.5
Calnet Systems	+74.2	-24.2	+34.1	-18.2	+48.0	+0.5
ADC Telecommunications Inc	+46.0	-52.4	+46.7	-5.6	+42.9	-4.7
Motorola Inc	-1.1	-99.5	+30.5	-21.8	+35.3	-12.3
Scientific Atlanta Inc	-28.3	-126.7	+6.1	-46.2	+29.9	-17.6
Harris Corp	+31.7	-66.7	+21.2	-31.1	+26.5	-21.1
Mobile Telecommunications Tech	+9.6	-88.8	+15.5	-36.8	+25.9	-21.6
AT&T Corp	+31.8	-66.6	+10.9	-41.4	+19.7	-27.8
Comsat Corp	+4.0	-94.4	-4.8	-57.1	+13.1	-34.5
U.S. Robotics Corp	+305.8	+207.4	+104.6	+52.3	N.A.	N.A.
Fore Systems Inc	+76.3	-22.1	N.A.	N.A.	N.A.	N.A.
General Instrument Corp	-22.1	-120.5	+22.4	-29.9	N.A.	N.A.
Bay Networks Inc	+109.1	+10.7	+48.6	-3.7	N.A.	N.A.
StrataCom Inc	+110.0	+11.6	+126.7	+74.4	N.A.	N.A.
Amphenol Corp	+1.0	-97.3	+51.3	-1.0	N.A.	N.A.
Adtran Inc	+137.4	+39.1	N.A.	N.A.	N.A.	N.A.
Cascade Communications Corp	+176.1	+77.7	N.A.	N.A.	N.A.	N.A.
Qualcomm Inc	+79.2	-19.2	+52.5	+0.2	N.A.	N.A.
Ascend Communications Inc	+698.4	+598.0	N.A.	N.A.	N.A.	N.A.
NFS Communications Inc	+62.6	-35.8	N.A.	N.A.	N.A.	N.A.
Peer Average	+88.4		+52.3		+47.6	

ALPHABETICAL LISTING OF 1,000 COMPANIES

WITH 1-, 3- AND 5-YEAR AVERAGE RETURNS

COMPANY NAME	INDUSTRY GROUP	1 YEAR RETURN (RATING)	3 YEAR RETURN (RATING)	5 YEAR RETURN (RATING)
Glenayre Technologies Inc	Communications	+142.5 A	+163.4 A	+100.4 A

Industry Group Score Card Best-performing industries based on five-year average return

5 YEAR RANK and COMPANY NAME	1 YEAR RETURN	1 YEAR RANK	3 YEAR AVERAGE RETURN	3 YEAR RANK	5 YEAR AVERAGE RETURN	5 YEAR RANK and COMPANY NAME	1 YEAR RETURN	1 YEAR RANK	3 YEAR AVERAGE RETURN	3 YEAR RANK	5 YEAR AVERAGE RETURN
	64.7	8	41.0	1	45.0		33.9	47	14.8	42	17.6
	46.6	22	29.2	6	39.8		34.0	46	10.7	61	17.6
	67.4	4	19.5	19	38.3		62.4	10	19.3	20	17.5
	33.7	48	13.5	49	35.8		28.6	59	10.8	60	17.4
	73.9	3	33.1	5	33.9		39.3	32	18.9	22	17.4
	66.5	5	19.8	18	30.7		37.0	40	18.4	24	17.3
	37.6	39	17.0	32	30.4		4.4	82	1.7	82	16.9
	52.3	16	16.1	35	30.0		32.8	50	11.4	55	16.8
	48.2	19	18.3	26	30.0		31.9	52	14.7	43	16.6
	35.8	42	23.1	13	29.4		37.7	38	20.1	17	16.2
	43.2	27	39.4	2	27.9		7.7	80	7.7	75	15.9
	59.5	13	22.0	14	27.7		11.8	76	3.9	80	15.2
	61.8	11	20.6	15	27.5		22.0	65	11.0	58	15.1
	30.5	56	12.7	50	27.3		39.1	33	10.9	59	15.1
	66.4	6	29.1	7	27.1		27.7	62	12.2	53	14.8
	65.0	7	34.1	4	26.4		1.6	86	4.3	79	14.7
	52.5	15	12.4	51	26.1		83.0	1	15.6	39	14.6
	47.2	20	25.1	9	25.3		31.2	54	15.9	38	14.5
	34.1	45	23.1	12	25.1		44.8	24	17.5	30	14.2
	40.0	30	20.5	16	24.9		28.6	58	9.3	66	14.2
	48.4	18	8.7	70	24.4		51.7	17	8.0	73	14.0
	24.0	64	14.5	45	24.3		28.1	60	10.3	62	14.0
	32.3	51	18.0	27	24.0		12.9	73	9.2	67	13.6
	39.1	34	26.0	8	23.9		15.6	70	-1.6	83	13.4
	36.3	41	14.7	44	23.9		12.7	74	8.5	71	13.3
	46.3	23	17.6	29	23.7		12.3	75	-1.8	85	13.2
	32.9	49	18.3	25	23.6		-7.5	87	5.5	77	13.0
	77.9	2	16.5	34	23.1		13.2	72	11.4	56	12.6
	34.9	43	34.8	3	23.1		30.1	57	15.9	37	12.4
	34.9	44	8.0	74	23.1		31.8	53	8.9	69	12.4
	37.8	37	9.7	63	22.7		1.8	85	4.5	78	11.0
	47.0	21	17.7	28	22.2		9.0	78	3.8	81	10.7
	42.8	28	13.6	48	22.0		21.0	66	12.3	52	10.5
	26.6	63	13.7	47	21.8		38.0	36	24.2	11	10.3
	64.1	9	15.2	41	21.7		-10.1	88	-2.4	86	10.2
	11.3	77	9.0	68	21.7		7.2	81	-8.6	88	10.1
	14.5	71	17.1	31	19.7		39.1	35	9.4	65	9.5
	57.1	14	16.6	33	19.7		60.7	12	24.8	10	9.4
	27.8	61	18.9	21	19.5		4.2	83	-1.8	84	8.3
	43.8	26	15.5	40	19.4		18.9	67	8.4	72	6.9
	31.1	55	16.1	36	18.6		40.6	29	12.0	54	5.6
	18.5	68	18.7	23	18.5		39.4	31	11.4	57	5.1
	8.7	79	5.7	76	18.3		16.6	69	-3.2	87	2.6
	43.9	25	13.9	46	18.2		3.4	84	9.6	64	1.3

The Best Performers

1 YEAR

COMPANY NAME	RETURN
Republic Industries Inc	+963.7%
Ascend Communications Inc	+696.4
C-Cube Microsystems Inc	+557.9
Thermo Cardiosystems	+382.8
Continental Airlines Inc	+370.3
ValuJet Inc	+365.9
Corrections Corp of America	+360.5
Macromedia Inc	+309.8
U S Robotics Corp	+305.8
Presstek Inc	+274.3
PictureTel Corp	+250.4
CCH Inc	+233.4
Northwest Airlines Corp	+223.8
Electronics For Imaging Inc	+218.2
USAir Group	+211.8
HFS Inc	+208.5
Cadence Design Sys Inc	+205.5
PhyCor Inc	+183.5
Boston Scientific Corp	+183.5
Cascade Communications Corp	+176.1
Cognex Corp	+169.9
Borland International	+169.4
America Online Inc	+167.9
Guidant Corp	+164.5
IDEXX Labs Inc	+161.1

3 YEARS



COMPANY NAME	RETURN
Glenayre Technologies Inc	+163.4%
Stratocom Inc	+126.7
Corrections Corp of America	+121.1
Input/Output Inc	+120.7
Micron Technology Inc	+119.7
Presstek Inc	+119.0
America Online Inc	+117.3
HFS Inc	+108.5
Tellabs Inc	+107.8
Thermo Cardiosystems	+105.7
U S Robotics Corp	+104.6
Republic Industries Inc	+100.9
Altera Corp	+ 97.7
PhyCor Inc	+ 94.3
Agco Corp	+ 94.1
Cognex Corp	+ 91.6
Clear Channel Communications	+ 89.2
Robert Half Intl Inc	+ 84.9
3Com Corp	+ 84.6
LSI Logic Corp	+ 82.6
PeopleSoft Inc	+ 82.6
HBO & Co	+ 82.3
McDonnell Douglas Corp	+ 81.4
IDEXX Labs Inc	+ 79.1
Atmel Corp	+ 76.1

5 YEARS

COMPANY NAME	RETURN
Informix Corp	+121.6%
*Glenayre Technologies Inc	+100.4
HBO & Co	+ 93.3
Cisco Systems Inc	+ 92.8
3Com Corp	+ 87.7
Green Tree Financial Corp	+ 83.2
Micron Technology Inc	+ 81.9
Soletron Corp	+ 81.8
Adaptec Inc	+ 77.7
Presstek Inc	+ 75.4
Clear Channel Communications	+ 74.6
Oracle Corp	+ 74.4
Viking Office Prods Inc	+ 74.1
Hodizon/CMS Healthcare Corp	+ 73.1
Tellabs Inc	+ 71.4
Parametric Technology Corp	+ 71.4
Applied Material	+ 71.1
LAM Research Corp	+ 69.7
SunAmerica Inc	+ 69.0
Midlantic Corp	+ 68.8
Maxim Integrated Products	+ 68.4
Healthsource Inc	+ 67.3
Linear Technology Corp	+ 66.2
Schwab (Charles) Corp	+ 65.6
Advanta Corp	+ 64.1

10 YEARS

COMPANY NAME	RETURN
WorldCom Inc	+ 57.3%
Amgen Inc	+ 48.7
Surgical Care Affiliates Inc	+ 46.3
Home Depot Inc	+ 44.5
Conseco Inc	+ 42.6
Applied Material	+ 40.7
United Healthcare Corp	+ 38.3
Clear Channel Communications	+ 38.2
St Jude Medical Inc	+ 38.2
SunAmerica Inc	+ 37.2
Micron Technology Inc	+ 37.2
CUC International Inc	+ 37.0
Nike Inc	+ 36.8
Medtronic Inc	+ 36.6
Compaq Computer Corp	+ 36.1
Paychex Inc	+ 35.6
Computer Associates Intl Inc	+ 35.1
Pacificare Health Sys	+ 35.0
Intl Game Technology	+ 34.7
Tellabs Inc	+ 34.0
Federal Natl Mortgage Assn	+ 33.1
Danaher Corp	+ 32.2
3Com Corp	+ 32.1
ADC Telecommunications Inc	+ 31.7
Green Tree Financial Corp	+ 31.6